

Hi Nancy,

James River
Mill # 8

Don



SDMS DocID

556523

fund Records Center

James River Mill 8

13.4
556523

Leominster Sentinel + Enterprise May 19 1993

Paper mill plan alive

James River site of \$170 million project

By Beth A. Marchese
STAFF WRITER

FITCHBURG — A new company is considering converting the James River Corp. paper mill into a paper recycling plant, just a few months after Patriot Paper Corp. of Hyde Park announced it was scrapping a similar plan.

The City Council, which was told of the plan at its meeting Tuesday night, applauded the proposal by Intercontinental Recycling Corp. of Hingham to refit the

James River Mill No. 8 to produce paper pulp from recycled office paper.

Councilors affirmed the plan's eligibility for \$144 million in tax-exempt industrial development bonds.

An earlier proposal from Patriot Paper to turn Mill No. 8 into a recycled paper mill was dropped in March when the company filed for Chapter 11 protection from creditors in U.S. Bankruptcy Court.

PLANT, Page A-8

New paper plant may mean 100 jobs

FITCHBURG — Intercontinental Recycling Corp. was created last month for the sole purpose of buying the James River Mill No. 8 complex on Princeton Road and turning it into a plant to produce 400 tons of de-inked paper pulp a day.

The Hingham company is loosely related to the Intercontinental Energy Group, which has three plants, including one in Bellingham. The plants are all owned by the Roy family, based in Cohasset.

Stephen Roy, president of Intercontinental Energy Group, said his sister, Janet Roy, is president of the new family company. While Intercontinental Energy employs 40 people at each of its plants, the Fitchburg paper mill would be its biggest operation, with 75 to 100 full-time employees.

Intercontinental Energy takes leftover natural gas from various sources and uses it to produce steam. The resulting steam is sold to various electric companies. The Bellingham plant also provides steam to a plant that produces

carbon dioxide for soft drinks.

Roy said Intercontinental Energy in Bellingham produces 300 megawatts of power and has revenues of approximately \$350 million. The paper mill, he said, shows similar revenue promise.

"We chose Fitchburg because of its central location, the number of fine paper companies already in the area, the existing infrastructure which can support us and the labor pool which has a number of people qualified to work in paper mills," Roy said.

"This is a win-win situation," said Michael Lanava, executive director of the Fitchburg Industrial Development Commission. "A mill that's been empty a few years will be used, it's good for the environment, and it will employ a number of people."

"This is the biggest project to come to Fitchburg in a long time," said Mayor Jeffrey Bean. "In fact, I think it's going to be the largest construction project in the state at \$170 million. That's an awful lot of

JOBS, Page A-8

Plant

Leominster Sentinel Enterprise May 1993

Stephen Roy, a spokesman for Intercontinental Recycling, said the plant would take waste paper from offices, de-ink and turn it into a pulp, which would then be sent to other companies to mill into a final product.

The cost of refitting Mill No. 8 is estimated at \$170 million.

"We think recycling paper is a good thing and good for the environment, and we hope to make some money and provide some jobs up here," said Roy. "We've lined up most of our sources of paper, and we have some outlets to

sell our pulp."

The company plans to keep the four paper machines in the mill with an eye toward producing their own recycled paper product someday, said Roy. While the company does not plan to change the building's size, there will be enough construction to provide 200 jobs.

The mill would employ 75 to 100 full-time employees.

The mill would discharge waste water into the West Waste Water Treatment Plant, and will take the leftover paper fibers and either compost them or burn them as a fuel source.

What makes the proposal from Intercontinental Recycling different is that the company already has a deal with James River to buy the complex on Princeton Road, said Mayor Jeffrey Bean and Michael Lanava, executive director of the Fitchburg Industrial Development Commission.

"We talked to maybe a dozen companies who were interested in the plant from Canada, Germany, all over. Patriot Paper, which was

interested in the plant, never had that agreement. No one did, until now," said Mayor Bean.

Lanava said the city started talking to Intercontinental Recycling about eight months ago when it looked like Patriot was not coming to Fitchburg.

"This is a company that plans to sink \$36 million of its own money into this project," Lanava said. "This shows commitment and a company that's spent a lot of time doing their homework."

Jobs

money."

Mayor Bean said that, along with providing jobs, the city's economy stands to gain a wider benefit.

"It will be good for millwrights, the people who go in and fix paper machines, and other services that will be supporting the mill," he said.

— BETH A. MARCHESE

